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Financial reports and audited financial statements and reports of the Board of Auditors:

United Nations

Capital master plan

Implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations for the biennium ended 31 December 2009 and on the capital master plan for the year ended 31 December 2009

Report of the Secretary-General

Summary

The present report provides additional information in response to the recommendations of the Board of Auditors as contained in its report on the United Nations for the biennium ended 31 December 2009 and its report on the capital master plan for the year ended 31 December 2009. The report is submitted in accordance with paragraph 7 of resolution 48/216 B, in which the General Assembly requested the Secretary-General to report to it at the same time as the Board of Auditors submitted its recommendations to the Assembly on measures taken or to be taken to implement those recommendations.

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The Administration has concurred with many of the Board's recommendations, and most of the comments of the Secretary-General have been duly reflected in the reports of the Board. Therefore, in an effort to reduce redundancy and streamline documentation, the present report provides additional comments from the Administration only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in the reports of the Board of Auditors. In addition, the report contains updated information on the status of implementation of the recommendations of the Board relating to prior periods that were reported by the Board as not having been fully implemented in the annexes to its reports.

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I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time as the reports of the Board were submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its report on the United Nations for the biennium ended 31 December 2009[1] and in its report on the capital master plan for the year ended 31 December 2009.[2]

2. In preparing the present report, account was taken of the provisions of the following General Assembly resolutions:

(a) Resolution 48/216 B, in particular paragraph 8, in which the Assembly requested the Secretary-General to draw attention in his reports to the recommendations that would require action by the General Assembly;

(b) Resolution 52/212 B, in particular paragraphs 3 to 5, and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(c) Resolution 62/223 A, in which the Assembly, in paragraph 11, reiterated its request for inclusion by the Secretary-General in future reports of information on the setting of time frames, the identification of office holders and priorities for implementation and, in paragraph 10, reiterated its request that the Secretary-General provide full explanation for delays in implementation of the recommendations of the Board for prior periods, in particular those recommendations not yet fully implemented that are two or more years old.

3. With regard to prioritization, it is noted that the Board categorizes the most important recommendations as "main" recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, the main recommendations will be considered of the highest priority.

4. Given that the Administration has concurred with most of the Board's recommendations and that many of its comments have been duly reflected in the reports of the Board of Auditors, detailed comments are provided only where considered necessary for recommendations from the financial period ended 31 December 2009. However, in accordance with paragraph 10 of resolution 62/223 A, additional information will be provided for all recommendations relating to prior periods that were considered by the Board not to have been fully implemented.

5. In accordance with the above-mentioned resolutions, section II of the present report contains the information requested by the General Assembly on the implementation of the recommendations contained in the reports of the Board of Auditors on the United Nations. Section II.A provides information on the implementation of the recommendations of the Board for its report for the biennium ended 31 December 2009, while section II.B provides information on the implementation of recommendations that the Board considered not fully implemented from its reports on the bienniums ended 31 December 2003, 2005 and 2007.

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[1] *Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 5* (A/65/5), vol. I, chap. II.

[2] Ibid., vol. V.

6. In paragraph 33 of resolution 64/228, the General Assembly reaffirmed paragraphs 37 and 38 of section I of its resolution 63/270 and stressed the importance of ensuring effective oversight coverage of the plan. Section III of the present report provides information on the implementation of the recommendations contained in the reports of the Board of Auditors on the capital master plan. Section III.A provides information on the implementation of recommendations contained in the Board's report for the financial year ended 31 December 2007, and section III.B provides information on the implementation of recommendations from the Board's report for the financial year ended 31 December 2006 that were considered by the Board not to have been fully implemented.[3]

II. United Nations

A. Implementation of the recommendations contained in the report of the Board of Auditors on the United Nations for the biennium ended 31 December 2009

Overview

7. Set out below is the information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors on the United Nations for the biennium ended 31 December 2009. Most of the Administration's comments have already been included in the Board's report; thus, additional comments are provided below only where required.

8. Tables 1 and 2 summarize the status of implementation of recommendations as at August 2010.

Table 1
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department for General Assembly and Conference Management	1	—	1			—
Department of Economic and Social Affairs	2			2	2	
Department of Management	13		4	9	8	1
Office of Internal Oversight Services	1			1	1	
Department of Public Information	1			1	1	
Department of Safety and Security	2			2	2	
United Nations Conference on Trade and Development	2			2	2	
Office of the Ombudsman	1			1	1	
Multiple departments	2			2	2	
Total	**25**		**5**	**20**	**19**	**1**

[3] Ibid., *Sixty-second Session, Supplement No. 5* (A/62/5), vol. V.

9. Table 1 and chart 1 summarize the status of the 25 main recommendations of the Board. The implementation of 20 recommendations is in progress. The one recommendation for which no target date has been set pertains to an ongoing activity.

Figure I

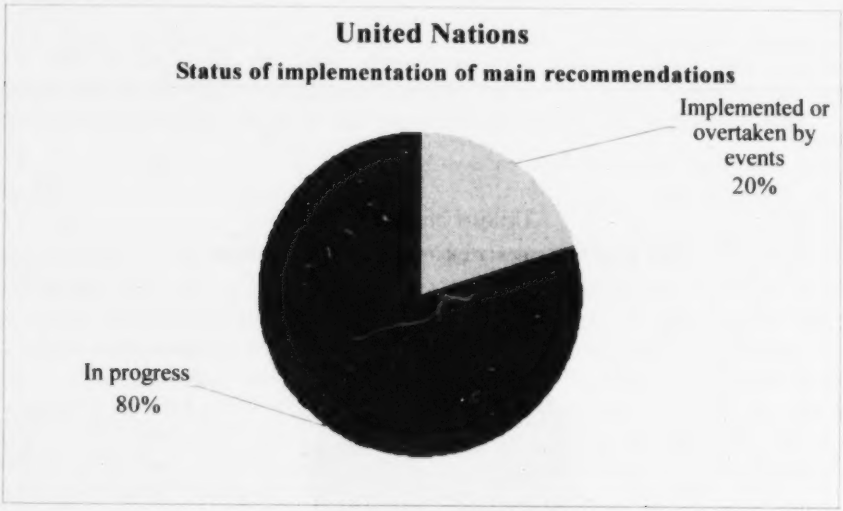
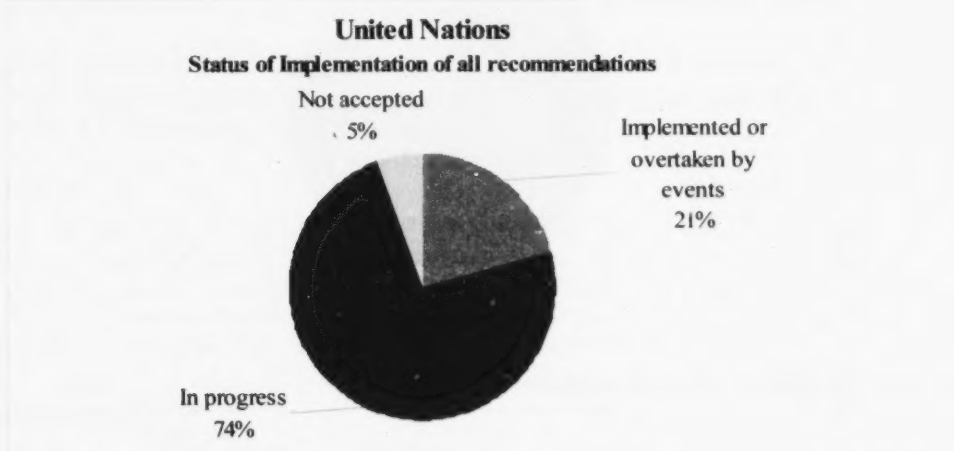

United Nations
Status of implementation of main recommendations
Implemented or overtaken by events 20%
In progress 80%

Table 2
Status of implementation of all recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented or overtaken by events*	*In progress*	*Target date set*	*No target date*
Department for General Assembly and Conference Management	8		2	6	2	4
Department of Economic and Social Affairs	4	2		2	2	
Department of Management	28	2	7	19	17	2
International Civil Service Commission	1			1	1	
Office of Internal Oversight Services	2			2	2	
Department of Public Information	2		1	1	1	
Department of Peacekeeping Operations/Department of Field Support	1			1	1	
United Nations Office at Geneva	2		2			
Department of Safety and Security	5			5	5	
United Nations Office at Vienna	1		1			
Economic Commission for Africa	1			1	0	1
Economic Commission for Latin America	1			1	1	
Economic and Social Commission for Asia and the Pacific	2		1	1	1	
International Court of Justice	2			2	2	
INSTRAW	1				0	
Office of Legal Affairs	1			1	0	1

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented or overtaken by events*	*In progress*	*Target date set*	*No target date*
United Nations Conference on Trade and Development	3			3	3	
Office of the Ombudsman	2		1	1	1	
Multiple departments	5			5	5	
Total	**72**	**4**	**16**	**52**	**44**	**8**

Figure II



10. Table 2 and figure II summarize the status of all 72 recommendations of the Board. The implementation of 52 recommendations is in progress. With regard to the eight recommendations for which no target date has been set, seven pertain to ongoing activities, and with respect to one recommendation, the target date is still to be determined. Of the 44 recommendations for which target dates have been set, 15 are for implementation by the end of 2010, 23 by the end of 2011 and 6 are to be implemented after 31 December 2011.

Detailed information on implementation status

11. **In paragraph 25, the Board recommended that the Secretariat (a) plan for the automated preparation of the financial statements under Umoja; and (b) without waiting for the implementation of Umoja, enhance internal documentation on the preparation of the financial statements, and more generally, on all financial procedures, notably by updating the Financial Manual.**

12. The Secretariat is currently in the process of finalizing the new Finance Manual and it is expected to be issued by end of 2010. As far as the automated financial statement is concerned, the target date is envisaged for 2014.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2014

13. **In paragraph 33, the Administration agreed with the Board's recommendation that it complete the staffing of the IPSAS project team and finalize the detailed timetable and project plan for IPSAS implementation.**

14. The recommendation is accepted, however, the Administration provides the additional comments described below.

15. It is recalled that implementation of Umoja is a prerequisite for IPSAS implementation and, it was only when the General Assembly had indicated in December 2009 its support for multi-year funding of Umoja that it made sense to complete the hiring of the remaining staff members of the IPSAS team. As such at the time of the audit, those recruitment actions were at the final stages. However, in June 2010 following review of Support Account for 2010-2011, the General Assembly decided not to provide general temporary assistance funds for two P-4 and two P-3 positions related to IPSAS. As IPSAS remains a mandated priority for the Organization, the Administration is currently considering alternative means of fully staffing the United Nations IPSAS team.

16. At the same time, implementation of IPSAS is being closely synchronized with Umoja implementation, and overseen by the IPSAS Steering Committee. This includes review of detailed project plans and related timings, as appropriate.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

17. **In paragraph 37, the Board recommended that the Administration ensure that all the offices away from Headquarters and the regional commissions strengthen their preparation for the implementation of IPSAS, in liaison with Headquarters, and in particular assess the financial and human resources required to prepare and implement this reform.**

18. The IPSAS project at the United Nations is being centrally led and plans are coordinated with all other Secretariat offices. As part of this process, all the major offices away from Headquarters and the Economic and Social Commission for Western Asia (representing the regional commissions), are members of the IPSAS Steering Committee. That serves to ensure the widest possible participation and for "local" issues to be fully considered. It is also another means of informing offices with regard to overall progress/direction of IPSAS. In this structure, it is redundant for offices away from Headquarters and regional commissions to develop their own detailed plans for IPSAS implementation, for which resources are to be centrally provided.

Department responsible:	Department of Management
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

19. **In paragraph 51, the Administration agreed with the Board's recommendation that it revisit its accounting treatment of education grants.**

20. The Board makes the case that under the United Nations system accounting standards, paragraph 38, all disbursements should be considered as expenditures. The Administration does not agree with this notion, as many types of disbursements (such as advances to staff members, including for travel and education grants, remittances to other offices, loans from one entity to another, prepayments and so on) do not, and should not constitute expenditures. Furthermore, the Administration considers the distinction between disbursements and expenditures to be so fundamental that it would be inconceivable for the two to be interchangeable; this principle is enshrined in all of the recognized and widely accepted accounting standards.

21. In paragraph 51, the Board recommended that the Administration revisit the accounting treatment of education grants. Notwithstanding the Administration's disagreement with paragraph 44, and bearing in mind the "substance over form" principle in the United Nations system accounting standards, paragraph 5 (ii), the recommendation is accepted.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

22. **In paragraph 60, the Board recommended that the Administration expedite the publication of the monthly report on the status of contributions.**

23. This recommendation has been overtaken by events. As of May 2010 the Administration has implemented the first phase of the contributions portal, whereby current information on assessments is now made readily available to all Member States. As such, the monthly report no longer serves its original intended purpose, as the information is now available online.

Department responsible:	Department of Management
Status:	Overtaken by events
Priority:	Medium
Target date:	Not applicable

24. **In paragraph 62, the Board recommended that the Secretariat define a strategy to streamline and further automate the management of voluntary contributions, along the lines of the redesign of assessed contributions procedures.**

25. A strategy will be defined and implemented. It will be based on (a) the IMIS approval of receivables as they are created (rather than in batches); (b) the application of deposits in IMIS upon approval of the receivables; and (c) the automation of cash received voucher issuance for voluntary contributions based on the resulting IMIS data. Parts (a) and (b) of this strategy are already in place in accordance with earlier Board of Auditor recommendations and the automation envisioned in part (c) has been included in 2010/11 project workplans. While the above general strategy has been defined, the exact timing of implementation of part (c) is dependent on the actual roll-out date of the project in the context of the overall information technology workplans, which already include a number of other ongoing higher priority information technology projects, such as the enhancements to the online portal for assessed contributions.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2011

26. **In paragraph 66, the Administration agreed with the Board's recommendation that it develop indicators to measure the processing times for contributions.**

27. This recommendation will be developed in conjunction with the automation of the voluntary contributions management and cash received voucher issuance.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

28. **In paragraph 71, the Administration agreed with the Board's recommendation that, in conjunction with the relevant substantive offices, it define, communicate and manage a standard procedure that would ensure that donors provided the required information in support of their payments.**

29. The form provided to donors for the annual United Nations pledging conference has been updated to include a standard note to read: "In order to ensure proper recording at the time of payment, all payments should include information regarding the donor and the activity/fund to which the contribution should be applied." In addition, the annual communication to Executive Officers on contributions pledged to United Nations trust funds will, in future, further emphasize that donors should be reminded of the importance of the inclusion of

information in support of payments. The above will complement the standard information provided to permanent missions to the United Nations regarding bank accounts and wire transfer modalities.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

30. **In paragraph 93, the Board recommended that the Administration consider ways to render the preparation of the financial statements on technical cooperation less cumbersome and more easily auditable.**

31. In reviewing the process for preparing the technical cooperation financial statement (Vol. I, statement VI), it is necessary to consider the purpose of this statement, which is to provide readers with a financial overview of Secretariat-wide technical cooperation activities. As those activities are funded from both extrabudgetary funds and the regular budget, this statement necessarily includes activities funded from both sources. This is an essential requirement, as unlike extrabudgetary resources, unspent regular budget balances cannot be carried forward for use in the next biennium.

32. The procedures used by the Accounts Division are based on this distinction, which is unavoidable. However, additional procedures are used to make the results reliable, as described below.

33. The process for the preparation of the consolidated statement VI includes the consolidation of the individual statement VI reports for each location, which are prepared using the IMIS report ACLDGB50 and a related script. When run consecutively, the trial balances of the extrabudgetary funds are grouped for reporting in the local statement VI in the prescribed format. The content of the ACLDGB50 report is auditable as it is linked to the accounting databases at Headquarters and each of the local offices shown in statement VI. Further, accuracy of the values reported in each local statement VI is verified by the Accounts Division, Office of Programme Planning, Budget and Accounts, and the related working paper files are retained in its Technical Cooperation Unit. The verification process ensures that the values reported for individual funds in the ACLDGB50 summary exactly match the values reported in the final trial balance for each fund, and that title fund group summaries computed by the script for the local statements VI are complete and accurately reported.

34. Further, the values reported for regular budget-funded technical cooperation expenditure in each local statement VI are also further verified through comparison with the worksheet to section 22 of statement IV, which provides for each location an overview of the regular budget technical cooperation appropriation, related total expenditures by category of expenditure, and the unencumbered balance of the appropriation.

35. As the preparation of statement VI for each location can be verified by reference to the respective IMIS database, and the working papers, the

Administration does not agree with the recommendation; bearing in mind as well that the underlying process for generation is based on the desired content of statement VI and that verifiable audit trails are being generated for it. Further, it considers that the added costs of further automation at this stage, prior to Umoja implementation, would outweigh the benefits.

Department responsible:	Department of Management
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

36. **In paragraph 98, the Board recommended that the Administration strengthen internal control over the inactive technical cooperation trust funds and expedite the closing of those funds that need to be closed.**

37. All funds listed in annex III of the Board's report as "Approved for closure" have now been closed. The Secretariat will coordinate with the relevant substantive offices to expedite, wherever possible, all action needed to effect closure of the funds listed as "pending closure or in the process of being reviewed for closure" and any other identified inactive funds by the target date. The recommendation is accepted; however, it is noted that none of the inactive trust funds had significant or current balances.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2011

38. **In paragraph 107, the Board recommended that the Secretariat formalize the distribution of tasks between the Office of Legal Affairs, the Controller's Office and the Department of Economic and Social Affairs for the management of the United Nations Assistance to the Khmer Rouge Trials (UNAKRT).**

39. The Secretariat finds it unnecessary to adopt a protocol to formalize the distribution of tasks, particularly since the audit confirmed that the sharing of responsibilities had evolved and was working. The Secretariat would also highlight that other than administration; the issues addressed in New York have overlapping elements and therefore naturally involve all three offices. The recommendation to formalize the distribution of tasks between the offices could be detrimental to the current methodology of coordinated management decisions. Nevertheless, given the valid observation that there is no document which defines the arrangements between the three offices, the Secretariat would agree to prepare a brief outline of the management arrangements within the headquarters offices in supporting UNAKRT for record purposes only.

Department responsible:	Office of Legal Affairs/Department of Economic and Social Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

40. **In paragraph 116, the Board recommended that the Administration ensure that UNAKRT, for the preparation of its future budgets, reviews its estimation methodology with a view to better taking into account the actual implementation of previous budgets.**

41. The Administration does not agree that UNAKRT should utilize an estimation methodology based on actual expenses. The Administration is of the view that its methodology should be forward-looking and based on the anticipated programme of work. The Court must also ensure that budgetary endorsement is obtained for all potential requirements to support the judicial processes, fully cognizant that some of those processes may be deferred owing to changes in the court's schedule. While it is important to secure funding, the Administration is mindful of the increasing costs of the Court, and makes every conscious effort to commit funds only on a when-needed basis. Mindful of the current financial climate and the difficulties in mobilizing sufficient resources to support the approved budget, the Court encourages savings when possible.

Department responsible:	Department of Economic and Social Affairs
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

42. **In paragraph 121, the Board recommended that the Administration ensure that UNAKRT sets up a dashboard for all parties that contain the main indicators (vacancy rate for posts, turnaround time and productivity for the translation unit, turnaround time and productivity for processing requests for complainants).**

43. The Secretariat is of the view that the Court has made marked improvements in reporting on performance since its inception. Nevertheless, it agrees to continue to expand its use of performance indicators, and to develop new benchmarks, particularly against the new Indicative Court Schedule. Since the outputs are combined deliverables of both components of the Court, the Secretariat would suggest that the recommendation also refer to the Extraordinary Chambers in the Courts of Cambodia, rather than limit the same to UNAKRT.

Department responsible:	Department of Economic and Social Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

44. **In paragraph 131, the Board recommended that the United Nations Conference on Trade and Development (UNCTAD) continue its efforts to rationalize the technical cooperation trust funds by preparing each year for the Trade and Development Board: (a) a list of new trust funds with a brief justification for their establishment; and (b) a list of inactive funds with an explanation of the reasons for their continuation.**

45. In response to part (a) of the recommendation, the list of new trust funds has been included in the statistical annex of the annual report on technical cooperation provided to the Trade and Development Board. Justification for establishment of the new trust funds will be provided in an informal document to Member States at the Working Party on the strategic framework and the programme budget in September. In response to part (b), a list of inactive projects (projects with no expenditures over the past year) is being compiled and this information will be provided to the Working Party in September 2010.

Department responsible:	United Nations Conference on Trade and Development
Status:	In progress
Priority:	High
Target date:	Third quarter of 2010

46. **In paragraph 135, the Board recommended that UNCTAD: (a) prepare a management manual for technical cooperation projects that brings together all applicable procedures, in particular in the area of monitoring; and (b) make sure that progress reports are distributed to donors by the Technical Cooperation Service as stipulated in the funding agreements.**

47. In response to part (a) of the recommendation, the two largest extrabudgetary programmes, debt management and financial analysis system and the automated system for customs data, which together account for over 50 per cent of UNCTAD extrabudgetary activities, have developed project officer manuals for their staff, comprising all applicable procedures. A general management manual on technical cooperation, bringing together all applicable procedures, will be completed by the end of 2011. Part (b) is already implemented, as both progress reports for the current year and financial reports for the prior year are sent to each donor in April of every year.

Department/body responsible:	United Nations Conference on Trade and Development
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

48. **In paragraph 146, the Board recommended that the Administration strengthen the internal controls over the inactive general trust funds and expedite the closing of those funds that need to be closed.**

49. The fund listed in annex III as "Approved for closure" has now been closed. The Administration will coordinate with the relevant substantive offices to expedite, wherever possible, all action needed to effect closure of the funds listed as "pending closure or in the process of being reviewed for closure" in annex III of the Board's report, and any other identified inactive funds by the target date.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

50. **In paragraph 156, the Administration agreed with the Board's recommendation that it: (a) increase the frequency of contractual audits of health claims; and (b) examine ways to strengthen internal controls over claim reimbursements.**

51. Part (b) of the recommendation, which relates to strengthening controls over claim reimbursements to the extent possible, has very limited practical applicability. The Administration will examine this further, and review the possibility of performing periodic eligibility validation checks. Given confidentiality and other constraints, it is essentially not feasible to substantively implement that part of the recommendation in a meaningful manner.

52. The target dates are December 2013 for the next health claims audit and December 2011 for examining ways to strengthen internal controls over claim reimbursements. Health claim audits should be conducted approximately every three years; the next audit is therefore scheduled for 2013.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2013

53. **In paragraph 160, the Board recommended to the Administration that it strengthen internal controls to ensure the accuracy of its payable and receivable balances with counterpart entities as at the end of the financial period.**

54. The Secretariat does not agree with the observation in paragraph 158 that the "Administration could not provide an exhaustive and detailed account for the discrepancies". During the course of the audit, detailed analysis and reconciliations of the discrepancies was provided, demonstrating that the discrepancies are attributable to timing and other differences. As such, the Secretariat believes that internal controls are in place to ensure accuracy of accounts receivable and payable with the agencies.

55. At the same time, the Secretariat also accepts that such procedures could be further strengthened. On the other hand, it would be very cumbersome and practically not feasible to fully reconcile all receivable and payable balances, given the number of accounts involved, the nature of differences, and the limited time available under the closing schedule.

56. The focus in the coming years will be on implementation of Umoja and IPSAS, and all available resources will be dedicated to those major goals. Hence, implementation will be synchronized with Umoja, which is expected to be in place by December 2013.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2013

57. **In paragraph 164, the Board also recommended to the Administration that it reduce the time taken for certifying invoices so as to conform to accrual-based accounting.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2011

58. **In paragraph 191, the Administration agreed with the Board's recommendation that it consider revising its policy for the valuation of leave liability in its implementation of the International Public Sector Accounting Standards.**

59. The Administration notes that the treatment of annual leave under IPSAS 25 mirrors that under International Accounting Standard (IAS) 19, and following their recent review of IAS 19, the International Accounting Standard Board has provided additional guidance. IAS 19 provides that the critical factor in distinguishing

between long-term and short-term benefits is the timing of their expected settlement, which would drive the classification.

60. The Administration treated the commuted annual leave benefit as a long-term benefit, because commuted annual leave is payable only when a staff member separates from the Organization and, in accordance with conventionally applied last-in-first-out protocols, is derived from unused annual leave days that have gradually accrued over the entire active careers of staff members. As such, that benefit does not meet the requirements of a short-term benefit under paragraph 10 of IPSAS 25, which defines short-term employee benefits as "benefits (other than termination benefits) which fall due wholly within twelve months after the end of the period in which the employees render the related service".

61. Commuted annual leave has therefore been treated as a long-term benefit, and has been measured at the current value of the obligation in accordance with the projected unit credit methodology prescribed under IPSAS. As such, the Administration considers that its valuation using actuarial principles that take into account, inter alia, the future rate of accumulation and discounting to present-day values, to be consistent with the relevant requirements under IPSAS 25.

62. However, given the audit concerns and possible different interpretations of overall leave benefits and variances in treatment of the issue across the United Nations system, the Administration intends to discuss this further with the IPSAS system-wide group with a view to developing a harmonized approach across the United Nations system.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

63. **In paragraph 203, the Board recommended to the Administration that it review the logical framework of results-based budgeting with a view to making it more precise.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

64. **In paragraph 208, the Administration agreed with the Board's recommendation that it clarify the objectives of the results-based budgeting process in order to make them more consistent with the existing system and thereby obtain greater support from actors concerned within the Organization.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

65. **In paragraph 212, the Administration agreed with the Board's recommendation that it ensure that the Department for General Assembly and Conference Management use the same metrics for the indicators used to set targets and to measure performance.**

66. The strategic framework for 2012-2013, which will form the basis for the next budget, has been fully aligned across all duty stations. Targets have been standardized and set at absolute levels (i.e., 100 per cent, or 0), as an ever-present indicator of the desired goal, which will highlight more clearly the measure of achievement at each duty station. In addition, working groups are in place to ensure the standardization of all metrics at all duty stations. Accordingly, the recommendation will be implemented in the next budget cycle.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

67. **In paragraph 216, the Administration agreed with the Board's recommendation that it ensure that the Department for General Assembly and Conference Management compares targets against achievements to measure its performance.**

68. The Monitoring, Evaluation, Risk Management and Statistical Verification Unit was established in 2009 and ensures in-depth measurement and analysis of all Department for General Assembly and Conference Management targets.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

69. **In paragraph 220, the Administration agreed with the Board's recommendation that it ensure that the Department for General Assembly and Conference Management: (a) substantiate the lowering of its targets; and**

(b) harmonize the methods used to define targets for the meetings implementation rate in New York, Geneva, Vienna and Nairobi.

70. For the 2012-2013 strategic framework, all targets have been standardized and set at absolute levels (i.e., 100 per cent, or 0), as an ever-present indicator of the desired goal. Accordingly, the implementation of this recommendation will be implemented in the next budget cycle.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

71. **In paragraph 223, the Economic and Social Commission for Asia and the Pacific (ESCAP) agreed with the Board's recommendation that it ensure that the definition of objectives, expected achievements and indicators of achievement for each subprogramme in the product of a more in-depth dialogue between programme managers and the secretariat, with a view to increasing the utility of the programme of work as a management tool during the implementation phase.**

72. During the process of formulating the strategic framework for the biennium 2010-2011, a series of workshops were organized to develop the results framework for each subprogramme with the participation of concerned Professional category staff and programme managers in the ESCAP secretariat drawing from the outcomes of a senior management retreat convened by the Executive Secretary. The definition of objectives, expected accomplishments and indicators of achievement in the strategic framework for the biennium 2012-2013 was developed by the Senior Management Team in conjunction with the organizational effectiveness initiative exercise led by the Executive Secretary.

Department responsible:	Economic and Social Commission for Asia and the Pacific
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

73. **In paragraph 227, ESCAP agreed with the Board's recommendation that it make a clear distinction between outputs which are part of its day-to-day management and those that constitute essential elements in the work of the Organization, ensuring that lists of non-quantified routine tasks are avoided.**

74. In accordance with the management response from ESCAP to that audit recommendation, outputs for the 2012-2013 programme of work will be formulated with even stronger links to the relevant expected accomplishments. The outputs included in the programme of work will be quantified consistently and in

accordance with the global instructions issued by United Nations Headquarters for the formulation of the programme budget for the biennium 2012-2013.

Department responsible:	Economic and Social Commission for Asia and the Pacific
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

75. **In paragraph 237, the Board recommended that the Administration ensure that the choice of investment solutions and the link between the composition of the portfolio, its liquidity, its profitability objective and its exposure to risks are more precisely formalized and documented in the United Nations Investment Management Guidelines.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

76. **In paragraph 240, the Board recommended that the Administration enhance the reporting on: (a) the investment strategy chosen; and (b) the daily implementation of that strategy.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

77. **In paragraph 242, the Board recommended that the Administration supplement the performance assessment framework for cash management with specific objectives regarding the composition, liquidity and duration of the portfolio.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

78. **In paragraph 245, the Board recommended that the Administration: (a) define, formalize and implement procedures relating to the monitoring of all limits set out in the United Nations Investment Management Guidelines; and (b) design and maintain a consolidated score card integrating the monitoring of all limits, with a view to reporting the results of that monitoring to the Investment Committee.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

79. **In paragraph 251, the Administration agreed with the Board's recommendation that it re-examine and, where necessary, redistribute the missions and activities of the Publications Board.**

80. Although the Administration does not agree that the activities of the Publications Board should be redistributed, it is recommended that the Secretary-General's bulletin ST/SGB/2005/15 be revised so that the Publications Board, in addition to being a standard-setting body, can be reinstated as the focal point for the publishing process within the Organization. The review of the publications programmes, the coordination and streamlining of the publication flow, the oversight of costs and proper budget allocations, and the implementation of new mechanisms can be effectively achieved only if the Publications Board, as the central body of the Organization for all publishing and copyright issues, is entrusted with the authority, responsibility and means to provide them.

Department responsible:	Department of Public Information
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2012

81. **In paragraph 256, the Board recommended to the Administration that it ensure that the Department of Economic and Social Affairs takes measures to increase the coordination of publications, in terms of both content and editorial priorities, in particular in order to avoid overlap in publications.**

Department responsible:	Department of Economic and Social Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

82. **In paragraph 260, the Board recommended that the Administration ensure that the Department of Economic and Social Affairs plan for mandatory documents aimed at the general public is the subject of an evaluation of results, which could then be forwarded to the main body that mandated the publication of the documents.**

83. The requested evaluation is done through a variety of means, including through internal discussions, feedback from the member of the Executive Committee of Economic and Social Affairs (for those involving collaboration with members of the Executive Committee), media coverage and sales figures.

84. The publications aimed at the general public are not subsidized. External publishers decide whether a publication is of interest and have, in the past, rejected certain publications. A differential pricing policy ensures that books are affordable in developing countries. Since there is no money for the publications programme, there is no systematic evaluation.

85. As the United Nations develops print-on-demand technology, there will be smaller print-runs. Currently, there is usually no price difference whether, for example, 500 or 1,000 copies are printed.

Department responsible:	Department of Economic and Social Affairs
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

86. **In paragraph 265, the Administration agreed with the Board's recommendation that it ensure that the annual report of the Secretary-General on the pattern of conferences provides statistics to measure the total number of meetings with a view to assessing changes in that variable.**

87. The pattern of conferences report for 2010 will reflect data on the total number of meetings managed at all duty stations.

Department responsible:	Department for General Assembly and Conference Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

88. **In paragraph 270, the Board recommended to the Administration that it ensure that the Department for General Assembly and Conference Management conducts a performance analysis for all meetings with interpretation and for each conference centre.**

89. Via the eMeets system and the surveys which are available for every meeting, detailed meetings performance data is available for all duty stations.

Department responsible:	Department for General Assembly and Conference Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

90. **In paragraph 274, the Administration agreed with the Board's recommendation that it ensure that the Department for General Assembly and Conference Management urgently implements a plan for the transition phase of the capital master plan, in order to have precise knowledge of the needs and to provide operational tools to deal with them.**

91. There is active monitoring and discussion of issues in the evolving workplace related to the execution of the capital master plan, through focal points in every Department for General Assembly and Conference Management discipline. Issues are addressed at the highest levels with the appropriate capital master plan or Department of Management officials.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

92. **In paragraph 282, the Administration agreed with the Board's recommendation to ensure that the Department of Public Information does not create regional coordination platforms until a detailed study has been made of their operational and geographical competencies.**

93. The Administration agrees with the recommendation and is currently not contemplating the establishment of new regional coordination platforms. However, the United Nations Information Centre that will be established in Luanda, Angola, in accordance with the relevant General Assembly resolutions, is expected to play a role in coordinating the translation, printing and dissemination of information material to other Lusophone countries. In this regard, it will work closely with the United Nations Information Centre in Rio de Janeiro and the Portuguese Desk in the United Nations Regional Information Centre in Brussels.

Department responsible:	Department of Public Information
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

94. **In paragraph 286, the Administration agreed with the Board's recommendation to issue a Secretary-General's bulletin setting out the organization and responsibilities of the Department of Safety and Security, including those of the Division of Headquarters Security and Safety Services.**

Department responsible:	Department of Safety and Security
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2011

95. **In paragraph 294, the Board recommended that the Administration reassess the staffing needs of the New York-based head office of the Division of Headquarters Security and Safety Services of the Department of Safety and Security.**

Department responsible:	Department of Safety and Security
Status:	In progress
Priority:	High
Target date:	First quarter of 2011

96. **In paragraph 305, the Board recommended that the Administration ensure that the Department of Safety and Security significantly strengthens its system of internal control over the implementation of minimum operational security standards at United Nations Secretariat headquarters locations.**

Department responsible:	Department of Safety and Security
Status:	In progress
Priority:	High
Target date:	First quarter of 2011

97. **In paragraph 311, the Administration agreed with the Board's recommendation that it ensure that the Office of Legal Affairs defines and specifies intermediate management objectives and indicators for each stage of the treaty publication process.**

98. The Administration believes that the idea of "intermediate indicators" relating to the average time required for publication of treaties is a practical one. With the objective of improving the treaty publication process, the Administration, with the assistance of a management consultant, has reviewed the process. The review was based on standard business process improvement methodology. The report which emerged from the review included an analysis of the technology supporting the processes. The Administration is currently examining ways to implement the recommendations of the report, including the possible establishment of a revised

and updated publications process. Such a process would seek to incorporate greater web publication and enhancements to the online version of the United Nations Treaty Series. An upgrading of the supporting technology which supports the treaty publication process is currently being carried out. It is planned that the new processes will document the intermediate management objectives and indicators for each stage of the treaty process. The review of the work of the Treaty Section in the Office of Legal Affairs mentioned above, including the review of the treaty publication process, was undertaken to assist in the improvement of the implementation of the programme of work of the Section. There are a number of aspects to the project, including staffing, technology and process changes. Additionally, the Office of Legal Affairs will seek to strengthen relationships within the United Nations as part of the overall effort to build improvements, including in the area of translation.

Department responsible:	Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	To be determined

99. **In paragraph 320, the Board recommended that the Administration ensure that the Department of Political Affairs, together with the Department of Management and the Department of Field Support, agrees on a precise and operational division of responsibilities for the administrative backstopping of special political missions, especially regarding procurement.**

100. This recommendation has been accepted by all parties concerned. The precise and operational division of responsibilities for backstopping the special political missions, especially regarding procurement, are being discussed by the Department of Political Affairs, the Department of Field Support and the Department of Management.

Department responsible:	Department of Political Affairs/Department of Management/Department of Field Support
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

101. **In paragraph 320, the Board recommended that the Administration:**

(a) **Regularize all purchases made by the United Nations Office for West Africa from 1 January 2008 in the absence of delegation;**

(b) **Grant the United Nations Office for West Africa delegation of procurement authority, even if only for low-value procurement;**

(c) **Should the delegation not be forthcoming, or pending its actual implementation, give detailed operating instructions to the Office in order for it**

to carry out procurement activities in compliance with the United Nations Procurement Manual.

102. Recommendation (a) is accepted. With respect to recommendations (b) and (c), the nature of that delegation is part of the discussions referred to in the Secretariat's response to paragraph 320 above.

Department responsible:	Department of Political Affairs/Department of Management/Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

103. **In paragraph 329, the Board recommended that the Administration regularize on an ex post facto basis the procurement actions that the United Nations Integrated Peacebuilding Office in Sierra Leone (UNIPSIL) undertook before it obtained delegation of procurement authority.**

104. This recommendation is accepted. The mission is in the process of regularizing its prior procurement actions in accordance with the United Nations Financial Regulations and Rules and the Procurement Manual.

Department responsible:	Department of Political Affairs/Department of Management/Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2011

105. **In paragraph 330, the Board also recommended that the Administration ensure that UNIPSIL strictly adheres to the procurement rules of the United Nations.**

106. This recommendation is accepted. Instructions have been issued to UNIPSIL related to the full compliance with United Nations Financial Regulations and Rules concerning procurement and with the Procurement Manual.

Department responsible:	Department of Management/Department of Peacekeeping Operations
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2011

107. **In paragraph 336, the Board recommended that the Administration strengthen and expedite the reconciliation process between the physical**

inventory data and the accounting data relating to non-expendable property to ensure a fair valuation of those items in the notes to the financial statements.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2011

108. **In paragraph 341, the Board recommended that the Administration ensure that the United Nations Office at Geneva appoints one person to manage premises owned by the United Nations that are leased out to third parties.**

109. This recommendation has been implemented. A staff member has been appointed to manage premises owned by the United Nations that are leased out to third parties.

Department responsible:	United Nations Office at Geneva
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

110. **In paragraph 348, the Board recommended that the Administration:**

(a) **Put in place a governance structure for the United Nations Office at Geneva property renovation project that brings together the two United Nations headquarters in New York and Geneva;**

(b) **Ensure that the United Nations Office at Geneva is provided with the staff members required to implement and follow up on programmed works.**

111. An initial governance structure for the United Nations Office at Geneva Strategic Heritage Plan that brings together the two United Nations headquarters in New York and Geneva has been put in place. The United Nations Office at Geneva was provided with the staff for the implementation of the conceptual and engineering study to be submitted to the General Assembly at its resumed session in 2011.

Department responsible:	United Nations Office at Geneva
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

112. **In paragraph 352, the Board recommends that the Administration ensure that the United Nations Office at Vienna complies with United Nations financial rule 105.22 for handling property losses.**

113. The draft text mentions that the United Nations Office at Vienna/United Nations Office on Drugs and Crime Property Survey Board was properly renewed through the issuance of a circular dated 27 March 2009. It should be noted that since then two other circulars were issued, on 19 October 2009 and 16 June 2010.

Department responsible:	United Nations Office at Vienna
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

114. **In paragraph 356, the Administration agreed with the Board's recommendation that it ensure that the United Nations Office for West Africa manages its non-expendable property in accordance with the relevant United Nations rules.**

115. The mission was provided with guidance and policy documents related to property management, including the Property Management Manual, the Liquidation Manual, Directives on Property Control and Accountability/Management, as well as access to the Property Management Community of Practice, which contains a full library of relevant material. Those documents provide guidance and set key performance indicators that address the findings in the draft report. In addition, the requirements of the above-mentioned guidance and policy documents were reiterated in the Department of Field Support Directive of Property Control and Management for Financial Year 2009, issued on 19 November 2008. All field missions, including special political missions, will again be advised of the requirements of the above-mentioned guidance and policy documents in the next Directive on Property Management to be issued in September 2010.

Department responsible:	Department of Peacekeeping Operations/ Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2011

116. **In paragraph 360, the Administration agreed with the Board's recommendation that it ensure that the International Research and Training Institute for the Advancement of Women:**

(a) **Improves the quality of its inventory so that it reflects the exact status of non-expendable property;**

(b) **Clarifies the situation of items in its possession that are the property of the United Nations Stabilization Mission in Haiti so that they can be monitored separately.**

Department responsible:	International Research and Training Institute for the Advancement of Women
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

117. **In paragraph 366, the Board recommends that the Administration assess the need to update the set of competencies in order to:**

(a) **Adapt competencies to the current requirements of the Organization;**

(b) **Clarify the definition of competencies and levels;**

(c) **Introduce competencies in relation to technical expertise, apart from behavioural and managerial competencies.**

118. A request for proposal has been issued and it is currently under consideration with the relevant offices so as to engage a vendor who will assist with the review and update the competency framework.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2011

119. **In paragraph 372, the Board recommended to the Administration that it appraise the functioning of recruitment panels and review the features of the training in competency-based recruitment (obligation to attend, duration and content).**

120. With regard to recruitment panels, the new staff selection system policy contained in administrative instruction ST/AI/2010/3 contemplates the creation of assessment panels which would assess the qualifications and background of candidates for advertised positions. With regard to the composition and functioning of the assessment panels (panels of experts) details on the roles and responsibilities of the panels as well as the profile of the panel members have been drawn up and included in the instructional manual for hiring managers. Hiring managers are required to ensure that all assessment panels are composed of staff members holding an appointment other than a temporary appointment; serve at the same or at a higher level than that of the job opening; and, are not the current/temporary position incumbent or the position incumbent that is to be replaced.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Ongoing

121. **In paragraph 377, the Board recommended that the Administration ensure that all officials likely to appraise staff receive adequate training to this end, and that all other staff are given a general presentation on the appraisal interview.**

122. The Administration welcomes this recommendation and to complement existing learning/training modules on performance management, a mandatory performance management training module is being developed for managers/supervisors and it will be introduced in the fourth quarter of 2010. Staff briefing on the performance management process is ongoing through structured and scheduled workshops.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

123. **In paragraph 383, the Board recommended to the Administration that it assess its total training expenditure, irrespective of the nature of this expenditure and the origin of the corresponding resources.**

124. The Secretariat is working to address this issue with the relevant offices, however, tools and mechanisms to ensure this are not yet in place.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2011

125. **In paragraph 387, the Board recommended that the Administration draw up a schedule by which the staff members who have not taken the mandatory training programmes be obliged to do so in a close time limit (one year or 18 months), and that the effective implementation be verified.**

126. Completion of mandatory training is one of the elements in the human resources action plans. Heads of department are accountable for compliance and reports are provided to the Management Performance Board.

127. In addition, the Administration considers 18 months a reasonable time frame for the completion of mandatory training programmes except for the Management Development Programme/Leadership Development Programme, where resource limitations exist.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

128. **In paragraph 390, the Board recommended that the Administration ensure that all departments and offices draw up and document a medium- and short-term staff training strategy that would identify needs and objectives, and carry out a qualitative analysis of the results obtained.**

129. The Administration concurs with this recommendation and notes that a Secretariat-wide learning strategy, which will be promulgated in the coming months after appropriate consultation, has been drafted. Secretariat counterpart departments and offices will implement training according to the Secretariat strategy.

130. In addition, all peacekeeping missions are now required, pursuant to the Department of Peacekeeping Operations/Department of Field Support Policy Directive on Peacekeeping Training for all United Nations personnel, to prepare an annual training plan reflecting both in-mission needs and the three-year strategic training priorities established at Headquarters. The policy directive also stipulates the procedures for evaluating training.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

131. **In paragraph 402, the Board recommended that, considering the increasing reticence of employers from the private sector to supply data pertinent to the conditions of service of their staff, the International Civil Service Commission review its means of obtaining those data.**

132. This recommendation is accepted and compliance depends on a Commission decision at its 72nd session in spring 2011 and on a new General Service salary survey methodology, after 1 July 2011. The Commission Working Group on the Salary Survey Methodologies is considering the possibility of purchasing salary data from specialist providers of this type of information, in cases where private sector employer salary data is difficult or impossible to obtain.

Department responsible:	International Civil Service Commission
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2011

133. **In paragraph 409, the International Court of Justice agreed with the Board's recommendation that it consider the revision of the statutory aspects of the Instructions for the Registry.**

Department responsible:	International Court of Justice
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2012

134. **In paragraph 413, the Court agreed with the Board's recommendation that it update the Staff Regulations for its Registry.**

Department responsible:	International Court of Justice
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

135. **In paragraph 420, the Board recommended that the Administration ensure that the Economic Commission for Africa (ECA) exercises strengthened control over its management of consultants and strictly complies with the relevant rules of the Organization on this matter.**

136. ECA has instituted the following steps to further strengthen the whole process starting from recruitment through utilization of consultants, performance evaluation to the final stages of payment with the aim of ensuring full and strict compliance with the relevant rules of the Organization:

(a) The ECA Advisory Committee on Administrative and Budgetary Matters and the Office of Strategic Planning and Programme Management has guidelines for planning and monitoring the use of consultants across ECA, keeping in mind the geographical diversity and gender balance required in this area. This has been incorporated in the Operational Guidelines of the Commission issued in October 1999, based primarily on the accountability for the use of the institutional/individual contract arrangement as stipulated in administrative instruction ST/AI/1999/7. In the Guidelines, particular mention is made of quarterly plans, which covered the specific cases of travel of staff members and the use of consultants across ECA. While the provisions of the guidelines on travel of staff have been enforced by the Office of Strategic Planning and Programme Management, compliance with the provisions of

engaging consultants has proven to be a challenge in the last few years. Hence, the decision of the recent meeting of the ECA Senior Management Team to reinstate the use of consultancy plans starting with the finalization of the ECA Programme Implementation Plan for 2010. These semi-annual plans derived from the Programme Implementation Plan will be reviewed by a subcommittee of the ECA Advisory Committee on Administrative and Budgetary Matters for recommendation to the Executive Secretary of the Commission. The Senior Management Team also formally decided that no request for engaging consultants or individual contractors would be submitted directly to the Human Resources Service Section without going through this mechanism. A semi-annual consultancy requirement form together with a quarterly monitoring matrix of consultancy assignments have been developed by the Office of Strategic Planning and Programme Management, which will mirror the provisions of the ECA annual Programme Implementation Plan for planning, monitoring and reporting purposes in the context of the United Nations results-based management framework. Furthermore, note should be taken of the fact that the new mechanism is planned to be further strengthened with the addition of the Integrated Central Data Repository System for consultants, which is in its final stage of testing;

(b) Targeted and detailed evaluations of consultant performance are conducted, measuring the quality of work performed against the goals established in the terms of reference, as well as compliance with contracted delivery dates;

(c) A template for performance evaluation has provisions that allow measuring the quality of work performed against the goals established as well as compliance with contracted delivery dates. This is in addition to the standardized format incorporated in IMIS;

(d) ECA takes a keen interest to ensure that there is a clear link between proposed consultancies and the programme of work. This has been an established practice in ECA to ensure that terms of reference for consultancy contracts are clear and specific and detail all the functions to be performed, including:

(i) objectives and targets;

(ii) tangible and measurable outputs of the work assignment;

(iii) realistic delivery dates; and

(iv) performance indicators for evaluation of results;

(e) ECA also makes sure that at least three qualified candidates are considered when awarding consultancy assignments and that complete documentation of the competitive selection process is maintained in the official file.

Department responsible:	Economic Commission for Africa
Status:	In progress
Priority:	Medium
Target date:	Ongoing

137. **In paragraph 425, the Board recommended that the United Nations Conference on Trade and Development (UNCTAD) take measures to better manage expenditure on consultants by: (a) making sure that all project**

managers are informed of the good practices developed; and (b) creating a common consultants database.

138. The revised Guidelines for engagement of consultants (expected in December 2010) will provide guidance on the recruitment of consultants, and streamline the processes involved. The UNCTAD Information Technology Section is currently creating a database for consultants. Interested candidates can register as consultants via the UNCTAD website. When registering, they indicate information regarding education and work experience, which can be searched by Human Resources Management Section staff as required. This roster will continue until Inspira covers this area.

Department responsible:	United Nations Conference on Trade and Development
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

139. **In paragraph 432, the Administration agreed with the Board's recommendation that it establish a realistic schedule for the implementation of its "Carbon" project.**

140. A detailed implementation plan has been established, and monthly progress reports continue to be produced, highlighting issues with each duty station.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2010

141. **In paragraph 437, the Administration agreed with the Board's recommendation that it take appropriate measures to ensure that the "Carbon" project is interfaced with Umoja.**

142. It is anticipated that Umoja will be implemented by the end of 2013. Communication channels have been established with the Umoja team and integration will be addressed as appropriate, at such time as the Umoja project reaches the development stage.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2013

143. **In paragraph 445, the Administration agreed with the Board's recommendation that it ensure that the Office of the United Nations Ombudsman and Mediation Services gathers statistical measurements in the same manner in all services and that these measurements are handled in annual activity reports in the same format to reflect actual changes and to allow year-over-year comparisons.**

144. The Office of the Ombudsman has recently launched an integrated database, which relies on a common methodology for data collection and reporting. The system for recording and managing data is now fully integrated across the Office of the United Nations Ombudsman and Mediation Services, using issue categories defined by the International Ombudsman Association. This will ensure consistency in identifying and interpreting trends and providing demographics of staff using the Office. It will also facilitate the identification of cross-cutting systemic issues and year-over-year comparisons. The Administration will assess the performance of the new database in the months ahead and identify areas of improvement based on the cases handled.

Department responsible:	United Nations Ombudsman and Mediation Services
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

145. **In paragraph 449, the Board recommended to the Administration that it ensure that the Office of the United Nations Ombudsman and Mediation Services guarantee, while drawing up its new tracking mechanisms, that the data used to measure the activity and performance of the Office are auditable, while preserving confidentiality.**

146. The Office of the Ombudsman intends to hire a consultant who will review its systems, identify ways of using data that is auditable for measuring the activity and performance of the Office and devise a road map for the implementation of that objective.

Department responsible:	United Nations Ombudsman and Mediation Services
Status:	In progress
Priority:	High
Target date:	Third quarter of 2011

147. **In paragraph 454, the Administration agreed with the Board's recommendation that the Office of Internal Oversight Services expedite the completion of its risk assessments of all the entities over which it has authority.**

148. The Office of Internal Oversight Services completed the risk assessment for most of the clients and will be conducting the risk assessment for the remaining ones. The Office is also taking steps to further improve the productivity and to ensure that the staff vacancy rates are kept at an acceptable level. It has also been clarified that as of 31 December 2009, the Internal Audit Division had a total of 201 posts, of which 43 were vacant.

Department responsible:	Office of Internal Oversight Services
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2011

149. **In paragraph 456, the Board recommended that the Office of Internal Oversight Services further increase its completion rate of audit assignments, inter alia, by reducing the rate of vacancy of its posts.**

150. See the comments in the preceding paragraphs of the present report.

Department responsible:	Office of Internal Oversight Services
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2011

151. **In paragraph 476, the Administration agreed with the Board's recommendation that it ensure that the Economic Commission for Latin America and the Caribbean (ECLAC) examines ways of reducing the time lag of the administrative travel authorization procedures so as to optimize the costs of flight tickets.**

152. ECLAC has already created a working group that is reviewing the underlying situation and issues. The group is expected to make valid recommendations within the next few months.

Department responsible:	Economic Commission for Latin America and the Caribbean
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

153. **In paragraph 481, the Administration agreed with the Board's recommendation that it ensure that the Department of Safety and Security analyses security costs independently of contributing budgets (regular budget, extrabudgetary funds, budgets allocated by each agency to security) so as to have a complete view of resources allocated to security.**

Department responsible:	Department of Safety and Security
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2011

154. **In paragraph 487, the Administration agreed with the Board's recommendation that the Department of Safety and Security take measures, both direct and by delegation, aimed at assessing compliance with minimum operating security standards of the field offices in Kenya.**

Department responsible:	Department of Safety and Security
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

B. Implementation of the recommendations contained in the reports of the Board of Auditors on the United Nations for prior financial periods

Overview

155. In paragraph 10 of its resolution 62/223 A, the General Assembly requested the Secretary-General to provide a full explanation for delays in implementation of the recommendations of the Board for prior periods, in particular those recommendations not yet fully implemented which are two or more years old.

156. In annex I to its report for the biennium ended 31 December 2009, the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 29 recommendations shown as "partially implemented" in annex I. The information is set out in the order in which the recommendations are presented in annex I.

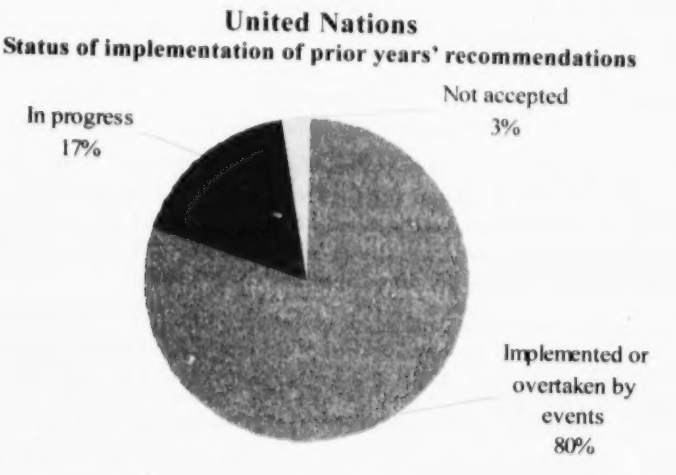
157. The following table summarizes the overall situation.

Table 3
Status of implementation of recommendations from prior periods considered not fully implemented in annex I to the report of the Board of Auditors for the biennium ended 31 December 2009

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented or overtaken by events*	*In progress*	*Target date set*	*No target date*
Department for General Assembly and Conference Management	1	—		1	—	1
Department of Management	18		9	9	8	1
Economic Commission for Africa	1		1			
Multiple	2		2			
Office of the Chief Information Technology Officer	2			2	2	
United Nations Office at Nairobi	3	1	2			
United Nations Office at Vienna	1	1				
Subtotal	**28**	**2**	**14**	**12**	**10**	**2**
General Assembly	**1**					
Grand total	**29**					

158. As indicated in table 3, the implementation of 12 recommendations from prior years is in progress. The target dates for two recommendations are to be determined and the implementation of one is dependent on consideration by the General Assembly. The implementation of the additional 14 recommendations, shown in table 3 above, brings the total number of recommendations implemented or overtaken by events to 56 (80 per cent) of the original 70 issued in the biennium 2006-2007 (see figure III below).

Figure III



Detailed information on status of implementation

1. Report of the Board for the biennium 2006-2007

159. **In paragraph 27, the Board recommended that the Administration pursue its efforts to prepare for the consolidation or aggregation of the financial statements of the United Nations under IPSAS.**

160. The matter is under consideration. It was discussed during the February 2010 meeting of the IPSAS Steering Committee, and will be the subject of further consideration by the Office of Legal Affairs, and the Funds and Programmes. Subsequent to that, the consolidation approach will be presented to the Board of Auditors to obtain their views on the approach, prior to submission to the General Assembly. Final decision on consolidation will be made by the General Assembly.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

161. **In paragraph 41, the Administration agreed with the Board's recommendation that it expedite the automation process of contributions management in order to enable real-time management of data regarding payments made by Member States.**

162. Online web-based access for status of contributions (incorporating IMIS information on assessments, credits and outstanding amounts) has been available since May 2010.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

163. **In paragraph 47, the Administration agreed with the Board's recommendation that it design the future automated management system so as to indicate, in assessment notifications, the amount and allocation of the most recent payments received, the status of payments due and payable and the calculation used to obtain the amount of the contribution.**

164. The online web-based information referred to in the preceding paragraph includes information on amounts assessed, the scale percentage, a reference to the assessment document that details the assessment calculation, and the amount and allocation of the payments received.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

165. **In paragraph 51, the Administration agreed with the Board's recommendation that it examine the possibility of sending universal reminder letters to Member States at the end of each quarter in order to increase the collection rate of contributions.**

166. The online web-based information includes information on the status of contributions, updated on a daily basis. Following the roll-out, enhancements include the ability for the Secretariat to transmit, or for Member States to request, the status of contributions via e-mail on a regular basis. Amounts outstanding for each mission are also included in the respective assessment letters at the time of issuance of new assessments.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

167. **In paragraph 67, the Board recommended that the Organization adopt a funding strategy for its end-of-service and post-retirement liabilities.**

168. The matter was addressed by the Secretary-General in his report (A/64/366) outlining three funding strategies for end-of-service and post-retirement liabilities applicable to United Nations staff members. The report was reviewed by the General Assembly at its sixty-fourth session and will be further considered by the Assembly at its sixty-seventh session.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Implementation is dependent on decision by the General Assembly

169. **In paragraph 151, the Board recommended that the Administration prepare a monthly scorecard on performance indicators dealing with requisitioners' perceptions and procurement procedure lead times.**

170. A consultant, PwC, has been retained to complete this project, which has recently commenced. The Procurement Division is currently reviewing the preliminary observations of the consultant, whose work is ongoing. It is estimated

that the project will be completed in the fourth quarter of 2010. The work of the consultant will include preparing performance indicators dealing with requisitioners' perceptions and procurement procedure lead times, as well as an assessment of requisitioners' satisfaction with procurement at certain intervals, and will evaluate the results thereof.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

171. **In paragraph 152, the Board recommended that the Administration conduct an independent assessment of requisitioners' satisfaction with procurement at certain intervals and evaluate the results.**

172. As indicated in the Administration's response to paragraph 151 above, a consultant, PwC, has been retained to complete this project, which has recently commenced. The Administration is currently reviewing the preliminary observations of the consultant, whose work is ongoing. It is estimated that the project will be completed in the fourth quarter of 2010. The work of the consultant will include preparing performance indicators dealing with requisitioners' perceptions and procurement procedure lead times, as well as an assessment of requisitioners' satisfaction with procurement at certain intervals, and will evaluate the results thereof.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2010

173. **In paragraph 186, the Board also recommended that the Administration prepare and implement formalized internal control procedures over non-expendable property to ensure that information provided on the total value of the equipment in use at the end of accounting periods is reliable.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	To be determined

174. **In paragraph 201, the Board recommended that the Administration implement an overall strategy for the use of office space.**

175. The feasibility study started in March 2010 and its scope was expanded to include a long-term office space analysis for United Nations Headquarters. Completion is now expected for the end of 2010. Taking into account the impact of the capital master plan as well the need for internal review and approval, the target date for the implementation of an overall strategy for the use of office space has been changed to the fourth quarter of 2011.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2011

176. **In paragraph 203, the Board recommended that the Administration formulate written procedures for space management and ensure their application in the following areas: planning for needs; allocating place and arbitrating requests; retrieving floor space; and limiting urgent requests.**

177. The increase in workload continues to affect progress in the implementation of the recommendation, but resources have now been dedicated to the formulation of procedures and development of a scoreboard and work is in progress.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2011

178. **In paragraph 207, the Administration agreed with the Board's recommendation to take appropriate measures to bring the Headquarters building systems into full compliance with safety standards.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2013

179. **In paragraph 209, the Board recommended that the Administration draw up a comprehensive scoreboard for the use of space and share it with department heads.**

180. The increase in workload continues to affect progress in the implementation of the recommendation, but resources have now been dedicated to the formulation of procedures and development of a scoreboard and work is in progress.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

181. **In paragraph 217, the Board recommended that the Administration ensure that the United Nations Office at Nairobi undertakes a comprehensive analysis of the costs incurred by the presence of 29 United Nations agencies and their staff outside the Gigiri compound.**

182. The 29 agencies located off site have their own administrative structures and it has been extremely difficult for United Nations Office at Nairobi to obtain information on costs incurred by these agencies and their staff. Only three agencies responded to requests for information on their accommodation costs. Under the circumstances, it may be impractical to pursue this recommendation.

Department responsible:	United Nations Office at Nairobi
Status:	Closure requested
Priority:	High
Target date:	Not applicable

183. **In paragraph 231, the Board recommended that the Administration develop strategies to reduce the vacancy rates of its conference centres.**

184. ECA had made the conditions for using the United Nations Conference Centre at Addis Ababa more flexible and has applied a more commercial management orientation over the past years. United Nations Conference Centre clientele now include not only organizations of the United Nations system but also the African Union Commission, intergovernmental and non-governmental organizations, States Members of the United Nations, professional organizations and selected national and international corporations. The centre's marketing activities include participation in high-profile international conventions and exhibitions, such as the Worldwide Exhibition for Incentive Travel, Meetings and Events (IMEX 2009) at Frankfurt, Germany, and the International Congress and Convention Association (ICCA 2009) at Victoria, Canada. The centre now features in the annual publications and websites of these two global and well-known organizations in the conference and exhibitions market, as well as in "Meet in Africa", the member contact directory of the ICCA Africa Chapter. In addition to advertising in the Ethiopian Airlines in-flight magazine, the centre's website is regularly updated and some practical promotional tools such as brochures and handouts continue to be routinely distributed.

185. As far as the United Nations Office at Nairobi is concerned, the first phase of the renovation of the conference facilities, which entailed installation of audio/interpretation equipment and refurbishment of the furniture and fittings, was completed in February 2009. The second phase, which covers improving the surrounding conference areas and aesthetics, will commence in June 2010 with

minimum disruption of scheduled meetings. The modernization has resulted in increased use of the conference facilities, with interpretation utilization increasing from 55 per cent in 2008 to 69 per cent at the end of 2009. The number of meetings held increased by 68 per cent: from 2,571 meetings in the biennium 2006-2007, to 4,313 meetings in the biennium 2000-2009 after the renovation. In addition, the total meetings held in 2008 was 1,188 compared with 3,125 in 2009, more than double that of the prior year (163 per cent). The surge in the number of meetings held is expected to continue for some time, although it may not be at the same rate.

Department responsible:	United Nations Office at Geneva/United Nations Office at Nairobi
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

186. **In paragraph 236, the Board recommended that the Administration make the conditions for using the conference centres more flexible, monitor their occupation and develop their commercial management in accordance with the rules set by the Organization.**

187. For the response, see paragraph 184 above.

188. As mentioned in paragraph 185 above, as far as UNON is concerned, the first phase of the renovation of the conference facilities which entailed installation of audio/interpretation equipment and refurbishment of the furniture and fittings was completed in February 2009.

189. With respect to UNOG, the number of meetings held at or serviced by the United Nations Office at Geneva has continued to increase (8,660 in 2006; 9,045 in 2007; 9,122 in 2008; and 9,922 in 2009). The conference centre at the United Nations Office at Geneva is already being heavily booked owing to the overall increase in the conference servicing workload since 2006. Apart from the traditional regular calendar clients of the United Nations Office at Geneva, such as the Conference on Disarmament, UNCTAD and the Economic Commission for Europe, Division of Conference Management has had to accommodate, since 2006, the ever-increasing number of human rights conference activities resulting from the creation of the Human Rights Council, its machinery, including Universal Periodic Review, and the meetings of such newly established bodies in Geneva as the Committee on Migrant Workers, the Committee on the Rights of Persons with Disabilities, the Committee on the Elimination of Discrimination against Women, and the Subcommittee on Prevention of Torture. The conference servicing legislation shows that the duration of several human rights conference activities will be extended during the next years. As an example, additional weeks of meetings are being planned to be serviced in respect of the Committee against Torture and its Subcommittee on Prevention of Torture.

190. In addition to the above-mentioned regular calendar activities, conference rooms and conference services are provided to several extrabudgetary clients such as the Office for the Coordination of Humanitarian Affairs, United Nations programmes, specialized agencies and to other ad hoc bodies, including those

created in the political field of activities (such as the Geneva Discussions). These meetings are accommodated and serviced on a fully reimbursable basis and only if there are spare conference facilities left and capacity can be made available through the recruitment of conference servicing staff from the local freelance market. Therefore, the idea of opening the United Nations Office at Geneva conference centre to other, additional non-calendar clients is currently not a feasible option, given the high demand to accommodate and service all the regular budget clients, including the human rights treaty bodies, and the forthcoming additional human rights conference activities.

191. The United Nations Office at Geneva Division of Conference Management has established a Monitoring, Evaluation, Risk Management and Statistical Verification Section to, inter alia, monitor efficient utilization of resources, including conference facilities.

Department responsible:	United Nations Office at Geneva/United Nations Office at Nairobi/Economic Commission for Africa
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

192. **In paragraph 239, the Board recommended that the Administration:**

(a) **Carry out a systematic assessment of the equipment for the conference centres in order to plan for its progressive replacement;**

(b) **Examine the suitability of the conference centres and draw up a multi-year equipment renovation plan.**

193. The Department of Conference Services at the United Nations Office at Nairobi conducted a complete inventory of its assets in March 2010. It established the life cycle of each category of assets and developed a capital replacement plan which will form the basis for budgeting their maintenance and replacement at current cost. With respect to the second recommendation, the United Nations Office at Nairobi will closely monitor utilization of the existing facilities in the next few years and assess the need for future expansion.

194. As far as the United Nations Office at Geneva is concerned, there are 21 conference rooms with conference equipment. In 2001 a plan for their renewal was established. By the end of 2007, 15 of the 21 rooms had been fully renovated and upgraded; by the end of the biennium 2008-2009 an additional two were completed bringing it to a total of 17 rooms out of 21. By the end of the biennium 2010-2011 one more conference room will be renovated and upgraded, bringing the total to 18 out of 21. The upgrading and refurbishing of the last three conference rooms (XVII, XVIII and XIX) will depend on the availability of funds.

Department responsible:	United Nations Office at Geneva/United Nations Office at Nairobi
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

195. **In paragraph 250, the Administration agreed with the Board's recommendation that it ensure that the Office of Human Resources Management carries out a proactive advertising policy for unrepresented and underrepresented countries.**

196. In addition to the proactive outreach effort, the Office of Human Resources Management has also produced an outreach video designed to garner interest in the Organization. That video has been placed on YouTube and provides information on where potential candidates can apply for vacancies. Using social media, it is anticipated that potential candidates, including those from unrepresented and underrepresented countries will be attracted to the Organization and will apply for positions.

197. During the course of 2010, outreach missions to unrepresented and underrepresented Member States have taken or will take place including, Spain, the Dominican Republic, the United States of America, the Republic of Korea, Japan, Norway and Finland, among others.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

198. **In paragraph 257, the Board recommended that the Administration ensure that the Office of Human Resources Management implements measures to reduce the actual duration for implementing the competitive examinations.**

199. The national competitive recruitment examination (NCRE) will be offered on 1 December 2010. Lean Six Sigma process was initiated to review the entire examination process and it has formed the basis for the proposal for the Young Professionals Programme, which is being presented to the General Assembly at its sixty-fifth session.

200. The NCRE will be offered in eight occupational groups in 2010. Currently, the entire system is under re-evaluation and the Office of Human Resources Management continues its efforts with regard to its proposal on the Young Professionals Programme. The elements of the proposal have been shared with a number of Member States and a report on the subject is being prepared for consideration by the General Assembly.

201. The 2010 NCRE was delayed as the Office of Human Resources Management conducted a thorough review of the business process of NCRE, pursuant to General

Assembly resolution 63/250 (section IV, para. 6). The review covered various elements of the process, such as preparation and marking of examinations, convocation of candidates, determination of occupational groups and the number of candidates to be placed on the roster, and selection of candidates from the roster. Recommendations stemming from the review are being implemented in the 2010 NCRE.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

202. **In paragraph 261, the Board recommended that the Administration implement measures to ensure it is in compliance with resolution 2 (I) of February 1946 and, in that respect consider, inter alia, making it a requirement that new entrants at the Professional level and above who are not fluent in both working languages undergo language tutoring upon joining the Administration.**

203. The General Assembly, in its resolution 63/246 A, second preambular paragraph, recalled all its resolutions related to the languages of the United Nations as well as those on human resources management. Furthermore, in paragraph 9 of the same resolution, the Assembly stressed that the employment of staff shall continue to be carried out in strict accordance with Article 101 of the Charter of the United Nations and in line with the relevant provisions of its resolutions. On that basis, the Administration believes that this recommendation was overtaken by events.

Department responsible:	Department of Management
Status:	Overtaken by events
Priority:	High
Target date:	Not applicable

204. **In paragraph 262, the Board also recommended that the Administration test the fluency in both working languages of all new entrants at the Professional level and above after a period of time from their entry on duty.**

205. See comments (para. 202 above) in response to the Board's recommendation contained in paragraph 261.

Department responsible:	Department of Management
Status:	Overtaken by events
Priority:	Medium
Target date:	Not applicable

206. **In paragraph 304, the Board also recommended that the Department for General Assembly and Conference Management strengthen its procedures for controlling rules applicable to the recruitment of retirees from the Organization, in particular those relating to the remuneration threshold.**

207. The Department for General Assembly and Conference Management does not have the capability or any means to monitor the earnings of retirees as they can work for any other United Nations entity, for which DGACM has no access to earnings information. Currently, the Department for General Assembly and Conference Management monitors all short-term and contractual earnings for work done at United Nations Headquarters, and terms appear in every contract clearly advising the current policy and warning about the recovery of any earnings in excess of existing limits. The enterprise resource planning will provide the necessary capability which should allow tracking throughout the Secretariat when fully implemented.

Department responsible:	Department for General Assembly and Conference Management
Status:	In progress
Priority:	Medium
Target date:	To be determined

208. **In paragraph 316, the Board recommended that the Administration document the entire architecture of systems and data that it uses to indicate all interfaces and exchanges of data between systems, their nature and the documents on all associated controls.**

209. The Umoja architecture team and data resources undertook the following tasks related to systems architecture and interfaces during 2009: (a) collected data for the as-is applications across the entire United Nations Secretariat and peacekeeping operations, as well as the agencies and funds under the United Nations umbrella; (b) shared and validated the information with information technology resources and systems owners worldwide; (c) developed a high-level physical diagram of priority systems to be replaced by Umoja and the current interfaces.

210. Within this context, Umoja worked closely with the Office of Information and Communications Technology and the Department of Field Service Communications and Information Technology Service to ensure that the systems inventory includes not just systems impacted by Umoja but all existing applications. The information was collated from the following sources: Office of Information and Communications Technology survey; information technology catalogue; eAsset; information gathered during Umoja enterprise resource planning as-is analysis missions; survey of information technology managers; Office of Information and Communications Technology internal inventory; capital master plan survey; ongoing Umoja input from subject matter experts and applications owners, workshops, missions; and structural review team. Approximately 1,800 systems were documented through this exercise.

211. In addition, the Umoja team met with both functional and technical resources supporting/developing the various existing systems to discuss integration/interfaces with Umoja.

212. Integration with the other primary enterprise systems (enterprise content management/customer resource management) has been discussed but is on hold pending widespread implementation of these two systems. As a next logical step in the design, Umoja is in the process of rationalizing the internal SAP architecture that is required for integration within SAP systems. The finalization of the SAP architecture is dependent on decisions relating to scope and business process that are currently being addressed as part of the Umoja design. The Umoja plan has specified that the SAP integration architecture design will be completed in line with the commencement of the Umoja build phase.

Department responsible:	Office of Information and Communications Technology
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2013

213. **In paragraph 328, the Board recommended that the Administration carry out regular checks, at least once a year, to identify any information technology active user accounts assigned to staff who have left the United Nations.**

214. Implementation of this recommendation was started with the enterprise identity management system project. The first phase of that project, which consists of the creation of a consolidated, authoritative repository of identities from United Nations Headquarters, selected United Nations agencies and three field missions, has been implemented. Using the data in that system's repository, it is possible to identify the staff and consultants separated within a specified period of time. The repository has been expanded with staff from four offices away from Headquarters. It is estimated to have all offices away from Headquarters included by the end of 2010. Adding consultants into the repository depends on the collaboration of the Department of Safety and Security in installing additional hardware at each office away from Headquarters, which will take a significant amount of time. A test has been performed with data from additional Department of Field Support missions and it has been estimated that by the end of June 2011 six more Department of Field Support missions will be completed.

215. The software acquisition was completed in May 2010 and the implementation of the directory server and other identity management components is ongoing but has been postponed because of delays in acquiring support for the software and the unavailability of the production environment owing to data centre migration. It should be noted that the full implementation of this recommendation will require the active collaboration of the relevant departments.

Department responsible:	Office of Information and Communications Technology
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2011

216. **In paragraph 356, the Board recommended that the Administration ensure that the United Nations Office at Nairobi implements the recommendations of OIOS more rapidly by entering into service agreements with all of the United Nations agencies and making the provision of further services contingent upon a formal promise to settle payments in arrears for over six months.**

217. Service-level agreements are signed and updated regularly for services provided. UNON receives commitment from participating agencies on the services they wish to subscribe to on an annual basis. The Common Services Board, the inter-agency common services body in Nairobi, adopted a policy and procedures to be applied for the collection of arrears and the withdrawal of services in cases of systematic non-payment. UNON continues to work directly with the other agencies and through the Common Services Governance structure to effect timely collection of payments. It also periodically withdraws services from agencies/offices that have significantly overdue accounts and fail to respond to our requests for settlement.

Department responsible:	Office in Nairobi
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

218. **In paragraph 360, the Board recommended that the Administration ensure that the United Nations Office at Nairobi maintains its capacity to offer common services to other United Nations entities and obtains fair compensation for them.**

219. All common services are cost shared. Annual Common Services budgets are approved by all participating agencies.

Department responsible:	Office in Nairobi
Status:	Implemented
Priority:	High
Target date:	Not applicable

220. **In paragraph 364, the Board also recommended that the Administration envisage that the United Nations Office at Vienna identifies its management costs and their breakdown between it and the United Nations Office on Drugs and Crime.**

Department responsible:	Office in Vienna
Status:	Not accepted
Priority:	High
Target date:	Not applicable

221. **In paragraph 369, the Administration agreed with the Board's recommendation that it specify in the statement of ex gratia payments to which account the payments are posted.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

222. **In paragraph 376, the Board recommended that the Administration ensure that the standard reports on cases of fraud and presumptive fraud submitted to the Board contain sufficient detail to allow for a proper analysis.**

223. Since the format of the reports provided to the Board was developed, approved and provided by the Board itself, the Board may wish to clarify what further details may be needed to allow for proper analysis. In the meantime, Offices have been requested to provide reports that are filled out in a comprehensive manner — including any relevant details. The Administration believes that this recommendation has been implemented.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Report of the Board for the biennium 2004-2005

224. **In paragraph 185, the Board recommended that the Administration ensure that the managers of the various services at Headquarters and at offices away from Headquarters improve their recordkeeping of non-expendable property, which should be supported by periodic physical inventory.**

225. The Administration maintains that, although the capital master plan and related relocation of the Secretariat has disrupted normal operations, procedures are in place at United Nations Headquarters and inventory records are supported by central physical inventories. The next physical inventory will be conducted in 2010 at the completion of the asset relocation and disposal actions necessitated by the capital master plan.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

III. Capital master plan

A. Implementation of the recommendations contained in the report of the Board of Auditors on the capital master plan for the year ended 31 December 2009

Overview

226. Set out below is the information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors on the capital master plan for the year ended 31 December 2009.[4] As indicated in the summary of the present report, most of the Administration's comments have already been included in the Board's report; thus, additional comments are provided below only where required.

227. Tables 4 and 5 below summarize the status of implementation of recommendations as at August 2010.

Table 4
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Management	8	4	4	4	0
Total	**8**	**4**	**4**	**4**	**0**

228. Of the eight main recommendations referred to in table 4 above, two are targeted for implementation by the first quarter of 2011 and two thereafter.

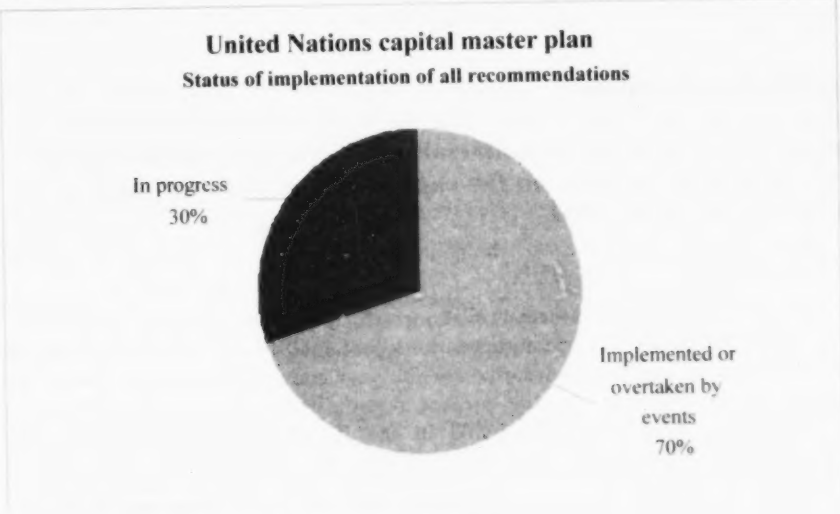
Table 5
Status of implementation of all recommendations

Department responsible	*Number of recommendations*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Management	20	14	6	6	0
Total	**20**	**14**	**6**	**6**	**0**

[4] *Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 5* (A/65/5), vol. V.

229. As indicated in table 5, 14 (70 per cent) recommendations have already been implemented and the implementation of 6 (30 per cent) recommendations is in progress (see also figure IV below).

Figure IV



Detailed information on implementation status

230. **In paragraph 31, the Board recommended that the Administration refine its donations policy so as to clarify the status of past sponsorships.**

231. The donations policy stipulates that as a general principle, Member States that have already made a donation in respect of a particular space in the past will continue to have priority over that space. In this respect this recommendation is considered implemented.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

232. **In paragraph 43, the Board recommended that the Secretariat review the list and the value of the unliquidated obligations for future periods corresponding to rent associated with the capital master plan.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

233. **In paragraph 44, the Board recommended that the Secretariat conduct a thorough review of rent partition between the capital master plan fund and other funds.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

234. **In paragraph 51, the Board recommended that the Administration include in its progress report on the implementation of the capital master plan a detailed analysis of the trends in the total cost of the project and their causes.**

235. This recommendation will be fully implemented in the context of the eighth annual progress report.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2010

236. **In paragraph 57, the Board reiterated its previous recommendation that the Administration detail the economic assumptions used to arrive at the cost estimate for the project and monitor the evolution of those assumptions and their consequences for the project.**

237. The identified strategy is that of multiple guaranteed maximum price contracts, which allow the Administration to take advantage of the beneficial market conditions, locking in low prices as quickly as possible, without requiring the contractor to assume higher future risks and the related risk premium which would manifest itself in higher bids.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

238. **In paragraph 62, the Board recommended that the Administration reassess the merits of the value engineering programme.**

239. The Administration will take into account anticipated costs and benefits when conducting any additional extensive value engineering exercise.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2013

240. **In paragraph 67, the Board recommended that the Administration reduce to a strict minimum requests for change orders, particularly by its own services.**

241. Change orders will continue to be monitored until the capital master plan has been implemented.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Third quarter of 2013

242. **In paragraph 73, the Board recommended that the Administration:**

(a) **Establish a typology of the principal causes of construction cost overruns, especially for change orders;**

(b) **Using that typology, evaluate the financial volume of each category of change order.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

243. **In paragraph 79, the Board reiterated its previous recommendation that the Administration distinguish between the provision for contingencies and that for forward pricing escalation, as was done in the previous presentation of the cost estimate for the project.**

244. The Administration has accepted and implemented this recommendation. A portion of the contingency has been assigned to inflation. Whereas contingency was previously calculated at 10 per cent on signed guaranteed maximum price contracts and 20 per cent on unsigned guaranteed maximum price contracts in the fall of

2009, some modifications were made that reflect the status of the project as well as the recommendations by the Board. Currently, the contingency budget is calculated at 10 per cent for these contracts signed but not yet completed, and 15 per cent for as of yet unsigned contracts. The 15 per cent includes a provision for future escalation, as recommended by the Board of Auditors.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

245. **In paragraph 84, the Board recommended that the Administration reassess the appropriateness of the scope and the level of the provision for contingencies.**

246. See the comments regarding the preceding recommendation.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

247. **In paragraph 87, the Board recommended that the Administration extend the scope of the provision for forward price escalation to include professional fees and management costs.**

248. The Administration concurs with, and has implemented, the recommendation contained in paragraph 87. The escalation costs have been included in the fee projections. The Administration would also like to note that the escalation clause was a practical and cost-effective solution to the potential problem of fee changes on a long-term project. With regard to management costs, the capital master plan project staff consists of only 25 positions, therefore salary increases will have a minimal impact, which is likely to be more than offset by the occasional turnover of staff, resulting in savings due to short-term vacancies (delayed recruitment factor).

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

249. **In paragraph 99, the Board reiterated its previous recommendation that the Administration make provision for delays in the schedule of the project and continue to consider ways to mitigate such delays.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

250. **In paragraph 102, the Board recommended that the Administration quickly define once and for all the main measures relating to the refurbishment of workspaces.**

251. The capital master plan is having ongoing discussion with the department heads to finalize the restacking plan for the Secretariat.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2011

252. **In paragraph 104, the Board recommended that the Administration perform a cost/benefit analysis for the gradual move back into part of the Secretariat Building and to confirm the project only if it does not compromise the schedule for completion.**

253. The Administration agrees and has implemented this recommendation. The Administration undertook an analysis which led to the conclusion that the plans for the re-occupancy of the Secretariat Building will not compromise the schedule for the completion of the project. The Administration can accommodate approximately 200 moves per weekend and accordingly, the restacking of the Secretariat will require at least five months, taking into account the occasional requirement to suspend moves during some weekends. The planned relocation into the Secretariat Building will not impact or complicate the construction activity, nor will it negatively affect the completion date of the project.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

254. **In paragraph 110, the Board recommended that the Administration perform a cost/benefit analysis on postponing negotiations on contracts related to the Conference Building and preparation of the worksite.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2010

255. **In paragraph 112, the Board recommended that the Administration immediately take appropriate measures to prevent any functional change in the project relating to the Conference Building after the signing of the work contracts.**

256. A detailed review of all design documents is held with each user department prior to the onset of the construction work.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

257. **In paragraph 115, the Board recommended that the Administration perform a cost/benefit analysis on postponing negotiations on the contracts relating to the General Assembly Building.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

258. **In paragraph 118, the Board recommended that the Administration reduce to a strict minimum requests for change orders with regard to the use and configuration of basement rooms.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2011

259. **In paragraph 129, the Board recommended that the Administration expedite the functioning of the post-award review committee.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

260. **In paragraph 147, the Board recommended that the Administration improve the management of the files for the amendments:**

(a) **By systematically including information on the negotiation process with the vendor, the results thereof, the exact nature of the work and its location;**

(b) **By enhancing the format of the cover note on the requests for amendments so as to give the decision makers a clear understanding of the purpose and the authors of the requests.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

B. Implementation of the recommendations contained in the reports of the Board of Auditors on the capital master plan for prior years

Overview

261. In paragraph 9 of its resolution 64/227, the General Assembly requested the Secretary-General to provide full explanation for delays in implementation of the recommendations of the Board for prior periods, in particular those recommendations not yet fully implemented which are two or more years old.

262. In the annex to its report for the year ended 31 December 2009, the Board provided a summary of the status of implementation of recommendations for the year ended 31 December 2008. Information is provided below on the eight recommendations indicated as "under implementation" or "not implemented" in the annex, set out in the order in which the recommendations were presented.

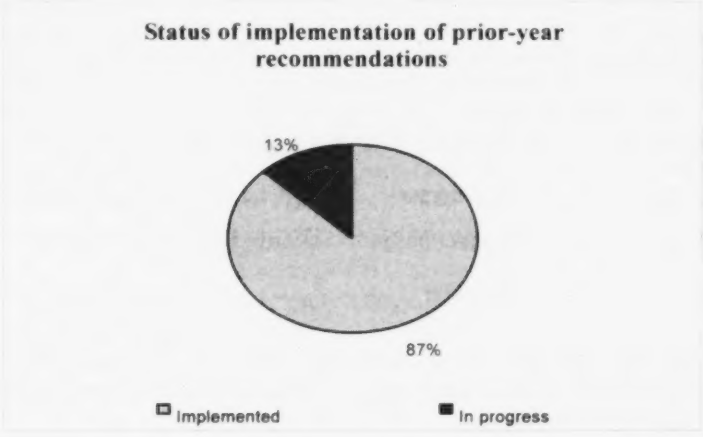
263. Table 6 summarizes the overall situation.

Table 6
Status of the implementation of recommendations relating to recommendations for the year ended 31 December 2008

Department responsible	*Number of recommendations*	*Implemented*	*In progress*	*No target date*
Department of Management	8	7	1	1
Total	**8**	**7**	**1**	**1**

264. As indicated in table 6 and figure V, the Administration has undertaken a concerted effort to ensure that all recommendations of the audit bodies are implemented in a timely manner. Of the eight recommendations, seven (87 per cent) have been implemented and one (13 per cent) is in progress. The recommendation shown as "in progress" has no target date because its implementation is ongoing and will continue to be monitored by the Administration.

Figure V



Detailed information on implementation status

Report of the Board for the year ended 31 December 2008[5]

265. **In paragraph 55, the Board recommended that the Administration distinguish between the provision for contingencies and that for forward pricing escalation, as was done in the previous presentation of the cost estimate for the project.**

266. The Administration's response to paragraph 79 of the Board of Auditor's report (see para. 243 above) is contained in paragraph 244 above.

[5] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 5* (A/64/5), vol. V.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

267. **In paragraph 78, the Board recommended that the Administration make provision for delays in the schedule of the project and continue to consider ways to mitigate delays.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

268. **In paragraph 90, the Administration agreed with the Board's recommendation to oversee strict compliance by the construction manager with its obligations.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Ongoing

269. **In paragraph 92, the Board recommended that the Administration expedite the relocation of all staff to avoid aggravating the delay in the start of the work on the Secretariat Building.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

270. **In paragraph 113, the Board recommended that the Administration take appropriate measures to regularize the transactions that occurred under the authority granted to the Director of the Procurement Division in accordance with the memorandum of the United Nations Controller and approved on 15 November 2007.**

271. As has been acknowledged by the Board, the Post-award Review Committee has been established to address this issue.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

272. **In paragraph 120, the Board recommended that the Administration consider ways and means to increase significantly the level of internal control over amendments to contracts relating to the capital master plan.**

273. See the response to the recommendation above.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

274. **In paragraph 121, the Board recommended that, as long as no ex post facto review procedure is secured, the Administration make every effort to involve the Headquarters Committee on Contracts in the adjudication process prior to signing or amending contracts that are within the scope of the authority of that Committee.**

275. See the response to the recommendation above.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

Report of the Board for the year ended 31 December 2007[6]

276. **In paragraph 61 of the Board's report for 2009 (A/65/5, vol. V), the Board reiterated its recommendation that the Administration detail the economic assumptions used to arrive at the cost estimate for the project and monitor the evolution of those economic assumptions and their consequences for the project.**

[6] Ibid., *Sixty-third Session, Supplement No. 5* (A/63/5), vol. V.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable